

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

RAGHURAI, INC.,

Plaintiff,

-against-

ATD TECHNOLOGY, LLC,

Defendant.

Case No. 2:23-cv-6157

COMPLAINT

(JURY TRIAL DEMANDED)

Plaintiff Raghurai, Inc., by its counsel, Lupkin PLLC, as and for its complaint against defendant ATD Technology, LLC, alleges as follows:

NATURE OF ACTION

1. Raghurai, Inc. seeks compensation for accounting and other services rendered to ATD Technology, LLC through March 31, 2023, in an amount not less than \$310,981.97.

PARTIES

2. Plaintiff Raghurai, Inc. is a Canadian company with its principal place of business in Ontario, Canada. Raghurai, Inc. provides accounting and other financial services.

3. Non-party Radica (“Anne”) Raghurai, an individual who resides in Ontario, Canada, is the owner of Raghurai, Inc.

4. Defendant ATD Technology, LLC is a New York limited liability company with its principal place of business in Suffolk County, New York.

5. Non-party Merzena Raghurai, an individual who resides in the State of New York, is ATD’s sole member.

JURISDICTION

6. This Court has jurisdiction pursuant to 28 U.S.C. § 1332 because the plaintiff is a citizen of a foreign state, the defendant is a citizen of the State of New York, and the amount in controversy exceeds \$75,000.

FACTS COMMON TO ALL CLAIMS FOR RELIEF

7. In or about 2012, siblings Alvin, Ryon, and Anne Raghurai decided to form ATD.

8. ATD offers a wide range of recruiting services to employers, primarily in the information technology and healthcare markets.

9. Ryon, his wife Merzena, Anne, and Alvin all agreed to split ATD's profits three ways: one third to Anne, one third to Alvin, and one third to Ryon and Merzena.

10. Because Ryon and Merzena needed the money more than Anne or Alvin, Anne and Alvin deferred some or all of their share of the profits, as well as reimbursements and other payments due to them, to help get ATD on its feet.

11. At around the same time, Raghurai, Inc. agreed to provide ATD with accounting and other financial services, and ATD agreed to pay for such services.

12. To help ensure ATD's success in those early days, Raghurai, Inc. — through Anne — agreed to defer compensation for its services until ATD became more profitable.

13. From 2013 through March of 2023, Raghurai, Inc. provided accounting and other financial services to ATD.

14. Consistent with the parties' arrangement, Raghurai, Inc. did not demand immediate payment for its services.

15. Prior to December 31, 2021, ATD had an average profit of roughly \$200,000 per year.

16. Then, in 2022, the company saw over \$2 million in profits — almost as much as it had made in the prior ten years combined.

17. As of March 31, 2023, Raghurai, Inc. had provided \$310,981.97 worth of services to ATD — excluding the time spent by Anne herself:

Raghurai Inc.

Statement of Account

to: ATD Technology LLC

| Year | Inv# | Amount | Cumulative |
|------|---------|-------------------|------------|
| 2013 | ATD0001 | 3,903.57 | 3,903.57 |
| 2014 | ATD0002 | 4,361.12 | 8,264.69 |
| 2015 | ATD0003 | 5,873.50 | 14,138.19 |
| 2016 | ATD0004 | 7,359.60 | 21,497.79 |
| 2017 | ATD0005 | 7,497.50 | 28,995.29 |
| 2018 | ATD0006 | 9,208.30 | 38,203.59 |
| 2019 | ATD0007 | 20,527.20 | 58,730.79 |
| 2020 | ATD0008 | 45,179.10 | 103,909.89 |
| 2021 | ATD0009 | 54,872.25 | 158,782.14 |
| 2022 | ATD0010 | 113,588.48 | 272,370.62 |
| 2023 | ATD0011 | 38,611.35 | 310,981.97 |
| | | <u>310,981.97</u> | |

18. On April 11, 2023, Raghurai, Inc. demanded payment for those services.

19. Raghurai, Inc. repeated that demand on August 4, 2023.

20. ATD has thus far failed to pay Raghurai, Inc.

FIRST CLAIM FOR RELIEF

(Breach of Contract)

21. Raghurai, Inc. hereby incorporates paragraphs 1-20 above, as if fully set forth herein.

22. In or about 2012, Raghurai, Inc. and ATD entered into an oral agreement whereby Raghurai, Inc. would provide accounting and other financial services to ATD, and ATD would pay for those services once ATD was more profitable.

23. From 2013 through March 31, 2023, Raghurai, Inc. provided such services to ATD.

24. In 2022, ATD's profits increased by an order of magnitude.

25. Thus, in 2023, ATD demanded payment for services rendered.

26. On or about August 4, 2023, Raghurai, Inc. submitted detailed invoices for services rendered.

27. But ATD now refuses to pay Raghurai, Inc. for those services, in breach of the parties' agreement.

28. As a result of the ATD's breach Raghurai, Inc. has suffered monetary damages of at least \$310,981.97.

SECOND CLAIM FOR RELIEF

(Promissory Estoppel)

29. Raghurai, Inc. hereby incorporates paragraphs 1-28 above, as if fully set forth herein.

30. Over the years, Raghurai, Inc. has provided accounting and other financial services to ATD.

31. The value of those services — excluding the time spent by Anne — is \$310,981.97.

32. ATD made a clear and unambiguous promise to compensate Raghurai, Inc. for those services.

33. Raghurai, Inc. agreed to defer compensation for those services until ATD's profits increased.

34. Raghurai, Inc. performed those services in reliance on ATD's promise of payment.

35. Due to ATD's failure to pay for the services rendered, Raghurai, Inc. has suffered substantial monetary damages of at least \$310,981.97.

36. Raghurai, Inc. has no adequate remedy at law.

THIRD CLAIM FOR RELIEF
(Quantum Meruit – in the alternative)

37. Raghurai, Inc. hereby incorporates paragraphs 1-36 above, as if fully set forth herein.

38. Until March 31, 2023, Raghurai, Inc. provided accounting and other financial services to ATD in good faith.

39. ATD accepted and benefited from Raghurai, Inc.'s services.

40. Raghurai, Inc. performed those services with the expectation that it would be compensated for them.

41. But ATD never paid Raghurai, Inc. for its services.

42. The fair value of those services exceeds \$310,981.97.

43. It would be against equity and good conscience to permit ATD to retain the value of those services without paying Raghurai, Inc.

44. Raghurai, Inc. has no adequate remedy at law.

PRAYER FOR RELIEF

Plaintiff Raghurai, Inc. respectfully requests that this Court enter judgment for Raghurai, Inc. and against defendant ATD Technology, LLC, (a) directing ATD to pay Raghurai, Inc. compensatory damages in an amount to be determined at trial, but in no event less than \$310,981.97 plus pre- and post-judgment interest, and (b) granting such other and further relief as the Court may deem just and proper.

JURY DEMAND

Pursuant to Federal Rule of Civil Procedure 38, Plaintiff demands a trial by jury as to all issues so triable.

Dated: New York, New York
August 15, 2023

Respectfully submitted,

LUPKIN PLLC

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